# GOVERNMENT OF INDIA
# POWER
# LOK SABHA

UNSTARRED QUESTION NO:1747
ANSWERED ON:03.08.2000
INCREASE OF POWER TARIFF IN AGRICULTURE .
MAHBOOB ZAHEDI

**Will the Minister of POWER be pleased to state:**

(a) whether the Government propose to increase the power tariff in agriculture sector;

(b) if so, whether the Government are also considering to split the monolithic State Electricity Boards; and

(c) if so, the details thereof?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER ( SHRIMATI JAYAWANTI MEHTA )

(a) : The tariff for sale of electricity to different categories of consumers including for agriculture sector is fixed by the State Electricity Boards (SEBs) withthe approval of the concerned State Governments. With a view to rationalising electricity tariff and having transparent policies regarding subsidies etc., the Govt. of India haveenacted the Electricity Regulatory Commission Act, 1998 enabling the State Governments to constitute State Electricity Regulatory Commissions who empowered to determine the tariff for sale of electricity. The Act provides that the Commission whilefixing tariff will be guided by various principles which include inter-alia that the tariff progressively reflects the cost of supply of electricity at an adequate and improved level of efficiency.

(b) & (c): So far, SEBs of Orissa, Haryana, Andhra Pradesh,Karnataka, Uttar Pradesh and Rajasthan havebeen corporatised into separate companies for generation, transmission and distribution through their State Reforms Acts. There is a proposal for introducing a comprehensive new Electricity Bill which would facilitate reforms, do away with the statutory requirement of having a State Electricity Board and would providefor corporatisation/unbundling of the State Electricity Boards into separate company/companies.